

MASSACHUSETTS DEVELOPMENT FINANCE AGENCY

**Meeting of the Board of Directors
Thursday, August 10, 2023
10:00 a.m.**

MINUTES

DIRECTORS PRESENT: Yvonne Hao, Chair
Brian Kavogian, Vice Chair
Jessica Andors
Gary Campbell
Joan Corey
Kaitlyn Connors
Juan Carlos Morales
Dan O’Connell (*newly appointed*)
Kristina Spillane
Juliann Thurlow

DIRECTORS ABSENT: Andrew Salmon

Agency Staff: Dan Rivera, President and CEO
Theresa Park, SEVP and Deputy Director
Simon Gerlin, Chief Financial Officer
David Abdoo, Chief of Staff
Sean Calnan, Acting General Counsel
Marcos Marrero, EVP, Community Development
Tania Hartford, EVP, Real Estate
Cyndy Tonucci, Interim EVP, Finance Programs
Meg Delorier, Interim EVP, Devens
Victoria Stratton, Recording Secretary
Lt. Reid Bagley, State Police
Rob Carley
Amanda Dack
Robert Dolan
John Endicott
Robert Jenkins
Tim Kelly, Chief, Devens Fire Department
Noah Koretz
John Marc-Aurele
Rebecca Sullivan
Gary Walker
Amanda Wall

Guests: Alistaire Cunningham, Charter Environmental
Bob Delhomme, Charter Environmental

*Approved:
September 14, 2023*

Ashley Stolba, Undersecretary of Community Development,
Executive Office of Economic Development (“EED”)

A meeting of the Board of Directors of Massachusetts Development Finance Agency (“MassDevelopment” or the “Agency”) was held Thursday, August 10, 2023, at the Agency’s offices at 99 High Street, Boston, Massachusetts, pursuant to notice duly given.

The Chair welcomed everyone and, confirming the presence of a quorum in the room, called the meeting to order at 10:00 a.m. She asked if there were any guests and the guests introduced themselves.

MINUTES

1. VOICE VOTE – Meeting Minutes (July 13, 2023)

The Chair asked if there were any comments on the draft minutes of the July 13, 2023 Board meeting, and there were none. The Chair asked for a vote to approve these minutes and, upon motion duly made and seconded, by the directors present, it was, unanimously

VOICE VOTED: that the Board of Directors of MassDevelopment approves the minutes of its July 13, 2023 Board meeting, which are attached and made a part of the minutes of this meeting.

2. VOICE VOTE – Executive Session Meeting Minutes (July 13, 2023)

The Chair reminded everyone that if there are any comments on the draft Executive Session minutes of the July 13, 2023 Board meeting, they must be discussed in Executive Session. There were no comments. She asked for a vote to approve these minutes and, upon motion duly made and seconded, by the directors present, it was, unanimously

VOICE VOTED: that the Board of Directors of MassDevelopment approves the Executive Session minutes of its July 13, 2023 Board meeting, which are attached and made a part of the minutes of this meeting.

PRESIDENT / CEO REPORT

Mr. Rivera reported the following highlights:

Events. Secretary Hao and others, including key staff members, together with U.S. Secretary of Commerce Gina Raimondo, visited Hanscom Air Force Base to discuss entrepreneurship essentials for the military community. SEVP Theresa Park joined new Housing Secretary Ed Augustus, Lawrence CommunityWorks and Board member Jessica Andors for a ribbon cutting on 40 new affordable housing units at Island Parkside and to break ground on 40 more units; MassDevelopment provided Brownfields funding to

remediate the site and predevelopment funding to advance engineering and design work. MassINC invited Mr. Rivera and several members of the Transformative Development Initiative (“TDI”) team to provide an update on TDI work in Gateway Cities throughout the Commonwealth and how MassDevelopment can help position these communities for a clean energy future.

Healey-Driscoll Administration. Mr. Rivera joined Secy. Hao and EED staff members for a virtual economic development planning session on July 31, focused on Spanish-speaking businesses and community.

Devens. The U.S. Army Corps of Engineers has initiated the early phases of a 5-phase process of revitalizing the Devens Reserve Forces Training Area, or Devens RFTA. The Agency has learned that a proposed 400 person residential/barracks facility is slated to be constructed at the corner of Lafayette and Quebec Streets, with a budget of \$39 million and a start date of FY2026. Peter Lowitt, longtime Director of the Devens Enterprise Commission, or DEC, retired at the end of July and MassDevelopment extended well wishes to Mr. Lowitt and thanked him for his years of partnership. Lastly, Board members were reminded that the former “Devens Day,” now known as “Nashoba Valley Celebration of Service,” will be held on Saturday, August 18, from 4 – 10 p.m.

State Piers. The Gloucester State Pier will be hosting a celebration event as part of Gloucester 400, which will showcase the importance of the fishing industry in Gloucester and the region. Permitting for the \$25 million North Wharf project at the New Bedford State Pier is expected to take up to a year.

3. Employee Introduction(s)

Mr. Rivera introduced the following new hire – Amanda Dack, Administrative Assistant to Public Safety, Devens Fire Department and the Massachusetts State Police – who made brief comments.

- **Guest Speaker**

Ms. Hartford introduced the speakers from Charter Environmental, who made a presentation regarding Lynn HarborPark.

[Secretary’s Note: Following the presentation above, the guest speakers departed the meeting, at 10:27 a.m.]

GENERAL

4. VOTE – Devens Public Safety Building – Award of Construction Contract

Following a presentation and discussion, the Chair asked for a vote and, upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the Agency to enter a construction contract with D.A. Sullivan & Sons, Inc., for the Devens Public Safety Building project, as outlined in the revised memorandum and vote dated August 10, 2023, which are attached and made a part of the minutes of this meeting.

5. VOTE – Devens Public Safety Building – Authorization to Proceed with Financing

Following a presentation and discussion, the Chair asked for a vote and, upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment authorizes the Agency to proceed with the bond financing related to the Devens Public Safety Building project, as outlined in the revised memorandum and revised vote dated August 10, 2023, which are attached and made a part of the minutes of this meeting.

BOND TRANSACTIONS

6. Bond Detail Memorandum

For informational purposes, the Bond Memorandum is attached and made a part of the minutes of this meeting. Ms. Sullivan provided a brief summary, noting no changes to the August Board materials.

The Chair then advised that the Board would vote on the approval and findings for the matters in Tabs 7 through 13 to be considered following the opportunity for discussion, pursuant to Section 8 of Chapter 23G of the General Laws, as amended.

Bonds: Official Action Approvals

Official Action Project without State Volume Cap Request

7. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the resolution that is attached and made a part of these minutes regarding:

a project of Housing Assistance Corporation in Orleans, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$2,194,144.

Official Action Projects with State Volume Cap Requests

8. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the resolution that is attached and made a part of these minutes regarding:

a project of 23 Laurel Street LLC, in Northampton, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such affordable housing project in an amount not to exceed \$6,100,000.

9. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the resolution that is attached and made a part of these minutes regarding:

a project of 452 Broadway Housing Limited Partnership, in Lowell, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such affordable housing project in an amount not to exceed \$6,000,000.

Bonds: Final Approvals

Final Approval Project without State Volume Cap Request

10. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the Official Action / Final Approval (“OA/FA”) resolution that is attached and made a part of these minutes regarding:

a project of the Trustees of Deerfield Academy, in Deerfield, Massachusetts, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$100,000,000.

11. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of Lasell Village, Inc., in Newton, Massachusetts, for the issuance of a Tax-Exempt Non-Profit Housing Bond to finance such project in an amount not to exceed \$20,000,000.

12. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the OA/FA resolution that is attached and made a part of these minutes regarding:

a project of The Guild for Human Services, Inc., in numerous Massachusetts locations, for the issuance of a 501(c)(3) Tax-Exempt Bond to finance such project in an amount not to exceed \$4,013,526.

Final Approval Project with State Volume Cap Request

13. Upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves and adopts the resolution that is attached and made a part of these minutes regarding:

a project of TND 170 Cottage LLC, Massachusetts, for the issuance of a Tax-Exempt Bond to finance such project in an amount not to exceed \$24,500,000.

STANDING BOARD COMMITTEES

Audit & Administration Committee

Ms. Connors reported that the Audit & Administration Committee met this morning to discuss the Audit Plan for FY2023 with a representative of the Agency’s audit firm, RSM US LLP. She reported that the Agency has worked with RSM for several years and the team in place represents comforting continuity. RSM walked the Committee members through the upcoming audit and schedule, certain new GASB rules and their impact on the Agency. Mr. Connors reported nothing extraordinary related to this standard audit.

Origination & Credit Committee

Ms. Thurlow reported that the Origination & Credit Committee met on Tuesday, August 8, 2023.

Lending

14. VOTE – DPV Transportation, Inc. (Everett) – Capital Loan and Equipment Loan – State Small Business Credit Initiative (“SSBCI”) Fund

Following discussion and noting the recusal identified below, the Chair asked for a vote and, upon motion duly made and seconded, by the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the SSBCI loans to DPV Transportation, Inc., as outlined in the memorandum and vote dated August 10, 2023, which are attached and made a part of the minutes of this meeting.

[Secretary’s Note: Mr. Morales disclosed that his company, Surfside Capital, provides financial advice to the Borrower (above). He, therefore, recused himself from the consideration of this matter; he exited the meeting room and did not participate in any discussion, deliberation, or vote on the matter. He returned at the conclusion of the above vote.]

Real Estate Development & Operations Committee

Mr. Kavogian reported that the Real Estate Development & Operations Committee met on Tuesday, August 8, 2023, to discuss the request below.

Community Development

15. VOTE – Transformative Development Initiative (“TDI”) – TDI Equity Investments – Additional Funding for 807-815 Main Street, Worcester

Following discussion, the Chair asked for a vote and, upon motion duly made and seconded, by a roll call of the directors present, it was, unanimously

VOTED: that the Board of Directors of MassDevelopment approves the additional funding for 807-815 Main Street, Worcester, as outlined in the memorandum and vote dated August 10, 2023, which are attached and made a part of the minutes of this meeting.

QUARTERLY REPORTS

16. Finance Programs – End of Year Report

For informational purposes only, the End of Year Report (FY2023) for Finance Programs is attached and made a part of the minutes of this meeting. There was no discussion of this report.

17. Real Estate – Quarterly Update

For informational purposes only, the Real Estate Quarterly Update is attached and made a part of the minutes of this meeting. There was no discussion of this update.

INFORMATIONAL ITEMS

18. Community Development – Brownfields Fund – Funding for Worcester

For informational purposes only, the Request for Brownfields Site Assessment and Remediation Grant related to the 807-815 Main Street, Worcester, project is attached and made a part of the minutes of this meeting. There was no discussion of this transaction.

19. Community Development – TDI Equity Investments – Groups 2 and 3 Round FY2023 Grant Awards

Information regarding TDI Equity Investments Grant Awards is attached and made a part of the minutes of this meeting. No discussion of this item took place.

20. Lending – Delegated Authority Report for Loan Approvals (June 2023)

For informational purposes only, the Delegated Authority Report regarding Loan Approvals is attached and made a part of the minutes of this meeting. There was no discussion of this report.

21. Lending – Summary Portfolio Report

For informational purposes only, the Summary Portfolio Report for Lending is attached and made a part of the minutes of this meeting. There was no discussion of this report.

22. Media Report (July 2023)

For informational purposes only, the Selected Press Clips, Media Report, and Web Statistics for the previous month are attached and made a part of the minutes of this meeting. No discussion of these items took place.

MISCELLANEOUS: OLD BUSINESS / NEW BUSINESS

The Chair asked if there was any new or old business to consider, and there was none.

GENERAL

General Fund Update

A brief discussion ensued regarding the status of MassDevelopment's General Fund. Mr. Rivera advised that this matter is very much on the "front burner." He mentioned a 2019 Strategic Capital Analysis Report by BlumShapiro, which provides an in-depth review of the health of the General Fund.

Mr. Rivera then advised that a broader strategy discussion of the General Fund is being planned for the September Board meeting. The Chair added that factors including implications, lay-out, and input will be included in the September discussion, and she invited Board members to let Agency staff know of other concerns. Ms. Andors said it would be helpful to see a breakdown of revenue, including costs, potential for growth, constraints, etc. Mr. Morales expressed concerns about solving the liquidity issue and cash flow, as well as replenishing the General Fund, noting that it is important to ask the right questions. The Chair stated that the timing is ripe for this discussion, because it coincides with the Healey-Driscoll Administration's Economic Development Plan.

There being no further discussion or business before the Board of MassDevelopment, the Board Meeting was adjourned at 11:10 a.m.